FOR IMMEDIATE RELEASE *CONTACT: Roxane Marquez at (213) 974-4111 (office)*
or (213) 598-5463 (cellular)

GLORIA MOLINA ANNOUNCES $44.8 MILLION TO EXPAND OR CONSTRUCT 123 COUNTY HEALTH CARE CLINICS

$34.9 Million for 49 Clinics in High-Need SGValley, Eastside & South L.A.

LOS ANGELES (January 12, 2010)—Los Angeles County Board of Supervisors Chair Gloria Molina and her colleagues today authorized the distribution of $44.8 million in one-time public-private partnership (PPP) health care funds explicitly for the county's neediest, most underserved regions. As a result, 123 county health care clinics will be built or expanded in these areas—including 49 in East Los Angeles, the San Gabriel Valley, Southeast Los Angeles, and South Central Los Angeles. Molina initially directed the county's Dept. of Health Services (DHS) to make this funding available in January of 2009 and championed using the funds in the highest need areas of Los Angeles County.

"When I proposed that we allocate new dollars to help the uninsured, I was told that this would not be possible in a time of budget crisis," Molina said. "But a budget crisis is exactly when you must take care of your neediest and most vulnerable. California now has one of the highest unemployment rates in the nation. The health care dollars we're allocating today will help people immediately and create a foundation for a stronger health care system in Los Angeles County now and into the future."

Consequently, the San Gabriel Valley will receive $12.2 million for six new clinics, one new school-based clinic, and eight expanded clinics. East Los Angeles will receive $7.3 million for four new clinics and seven expanded clinics. Southeast Los Angeles and South Central Los Angeles will receive $15.4 million for three new clinics, six new school-based clinics, and 14 expanded clinics.

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The PPP program is a critical component of Los Angeles County's public healthcare network. More than 130 clinics participate in the program and they collectively receive $56 million annually from the county to administer healthcare services. During 2008, PPP clinics provided services to 178,000 patients during 560,182 doctor's visits according to DHS.

Today's action marks the culmination of a two-year process—led by Molina—to more effectively allocate the county's scarce PPP health care funds to areas of highest need. After identifying the $44.8 million in extra funding back in the Fall of 2007, the Board of Supervisors directed the county's Chief Executive Officer and DHS to convene a PPP Allocation Working Group specifically to study how the dollars could be spent in the most equitable fashion possible and to make recommendations for doing so. The workgroup then held four public meetings between November 19, 2008 through January 16, 2009 to obtain input from healthcare stakeholders across the county.

(In addition to staff from the county's and the state's respective public healthcare agencies, meeting participants included representatives from the University of California at San Francisco (UCSF) Dept. of Family and Community Medicine; Capital Link, Inc.; the Orange County Health Care Agency; The California Endowment; Building Clinic Capacity for Quality; LA Care Health Plan; the Tides Foundation-Community Clinics Initiative; the Alameda Alliance for Health; The Permanente Medical Group, Inc.; the Evaluator of the Frequent Users of Health Initiative; Alameda Net; MCPP Consulting; the UCSF Center for the Health Professions; the Washtenaw Community Health Organization; the California Healthcare Foundation; the Alameda Health Consortium; and the Weingart Foundation. During these meetings, participants ultimately used a variety of factors to define areas as "under-equity," including the federal poverty level, acuity of disease, lack of existing healthcare providers, and intensity of poverty, among other things. Furthermore, they formulated this definition using criteria that has been in use since DHS negotiated a federal healthcare funding spending waiver in 1995 and again in 2000. These criteria were also used to negotiate a waiver with the state in 2005.)

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Molina and her colleagues then used the PPP Allocation Working Group's recommendations to approve spending the $44.8 million in the following specific ways:

- $4.8 million would be used to build new healthcare sites in underserved pockets of under-equity regions, which the PPP Allocation Working Group identified as Service Planning Areas (SPAs) 1, 3, 6, 7, and 8. (SPA 1 covers the Antelope Valley; SPA 3 encompasses the San Gabriel Valley; SPA 6 includes southern metropolitan Los Angeles; SPA 7 covers the county's eastern region; and SPA 8 comprises the South Bay area.) These capital projects could include expanding school-based health clinics that offer services to families as well as PPPs that provide health services at clinics operated directly by the county. Recipients of these funds would be required to identify how they will leverage other funds and eventually become self-sustaining.
- $35.5 million would be spent over three years in the aforementioned under-equity SPAs for two main purposes: First, to supplement funding for the new clinics being built using the $4.8 million mentioned above; and second, to pay for doctor's visits for new patients in under-equity SPAs who receive services at existing public-private partnership healthcare clinics. However, some funds would be spent in over-equity SPAs—identified as SPAs 2, 4, and 5—that provide at least 50 percent of their visits to patients who live in under-equity SPAs. (SPA 2 includes the San Fernando Valley; SPA 4 covers northern metropolitan Los Angeles; and SPA 5 comprises western metropolitan Los Angeles.)
- $1.5 million would be spent to leverage other funds that ultimately would pay for the installation of electronic records at strategic PPP clinic sites. These electronic records would be placed on a web-based system used by both the PPP clinics and the county's Department of Health Services (DHS) in order to make specialty care referrals and to keep better track of patient medical records in general.
- $3 million which the PPP Allocation Working Group had originally recommended be spent on services for healthcare clients living in underserved geographic pockets of over-equity SPAs 2, 4, and 5 would be redirected to the under-equity areas.

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"These dollars will go a long way toward expanding services, particularly in the underfunded SPAs in the Southeast, the San Gabriel Valley, and South Central," Molina said. "We made every effort to outreach to new partners, and I think we should be proud of today's outcome. We still have a long way to go to bring health care equity to the entire county—and we have an awful lot of work to do to make sure we can sustain these funds and this progress in the long term."

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